

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (e) Committee on Banking Sector Reforms (Narasimham Committee I) had recommended consolidation in the banking sector as part of wider financial sector reforms. Government is of the view that any proposal for consolidation by way of merger etc. of one public sector bank (PSB) with another PSB should emanate from the concerned banks with Government playing a supportive role as the common shareholder. While supporting any merger proposal, Government will ensure that the interests of the stakeholders and employees of merging banks are adequately protected. Government has not, however, received any such proposal so far.

Expansion of RRBs

787. SHRIMATI SUPRIYA SULE: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to push for expansion of Regional Rural Banks (RRBs) branches while trying to consolidate them for better performance;

(b) if so, whether the intention to pursue an aggressive branch expansion programme for RRB in calendar year 2007; and

(c) whether he has also clarified that there was no proposal to merge RRB with sponsored banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Yes, Sir.

Disinvestment process

788. SHRIMATI S.G. INDIRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to bring back the disinvestment process on track;

(b) if so, the details thereof;